



CALPEEK

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CAMPAIGN 2002: PRES. BUSH CAMPAIGNS IN CALIF. FOR BILL SIMON'S UPHILL RUN AGAINST GOV. DAVIS

Editor's note: There's no doubt that GOP businessman Bill Simon Jr. got a lift (psychological as well as monetary) from Pres. George W. Bush's recent trip to Calif. Even though the fall general election is still 7 months away, several Cal-peek sources wonder whether GWB's Calif. visit will be enough to reverse what *seems* to be a current downhill slide by Simon. Here's our update & analysis...

...Several weeks prior to Pres. Bush's arrival, the only polling data on this race between Simon and Demo Gov. Gray Davis was coming Simon's campaign. A poll by Public Opinion Strategies(POS), taken in mid-March, had Simon leading **48% to 41%**. Another GOP poll distributed by the Simon campaign (by Probolsky & Assoc.), taken in early April, had Simon up by a **44% to 37.8%** margin...

...But two days before GWB's trip to Calif., the Field Poll issued its first survey since the Mar. 5th primary. Big smiles for *Team Davis* and frowns from *Team Simon*: Davis **43%** vs. **29%** for Simon, with **28%** undecided. If the POS survey was on the mark, then Simon has dropped **20-points** in one month! Field's survey was taken April 19-25 among 546 likely voters. About the only thing all 3 surveys had in common was Gov. Davis' *unfavorables*: 50% in Field vs. 55% in the POS survey vs. 53% in Probolsky's poll...

...But why the *free fall*? Despite the fact that Gov. Davis isn't all that popular, some sources suspect it's the *negative coverage* Simon has received in daily newspapers. In some cases reporters have written about Simon's less than mainstream conservative views and endorsements, while in other cases it's what Simon *won't* say. Some examples: 1) L.A. Times' Michael Finnegan story (4/4) about Simon's A rating from the NRA and his endorsement by the CA ProLife Council; 2) Sacto Bee's Daniel Weintraub (3/31) - Simon offers a muddled vision of the energy future; and 3) S.F. Chron Carla Marinucci's story (4/18) about Simon's refusal to release his income tax returns. This tax return story has had *long legs* and *Team Davis* is milking it for all its worth. And on top of all these stories were a series of articles about

the old feud between Simon's late father and Gerald Parsky, GWB's go-to guy in Calif. Even the stories about President Bush's trip to Calif. noted that Simon wasn't Bush's first choice for governor in the GOP primary. Just lots of negative press coverage about Simon and it's having an impact...

...Can Simon get back on track? Perhaps. Pres. Bush sure helped Simon in the fundraising department - adding \$3-4 million, but whether Simon fundraisers Cathy Beck and Marci Hutchings will be able to sustain the momentum remains to be seen...

...FYI: *Team Simon* has made key changes in the campaign. Ron Rogers (Russo, Marsh + Rogers) is now in charge of the daily management (replaces Rick Ahearn). Sal Russo continues in his strategy role, while Cynthia Bryant is aboard as the deputy cmp. mgr. Michele Davis (longtime political operative) will travel w/Simon and be his spokesperson; press secretary Bob Taylor will stay in Sacto; Yolanda Bazan, deputy policy director adds Latino outreach to her duties. Andrea Jones (Bill's daughter) is aboard the Simon campaign in the Central Valley, while SOS Bill Jones signs on as a campaign co-chair. We'll have to watch over the next 6-8 weeks to see if these changes will make a difference. Stay tuned...

CAMPAIGN 2002: CALIF. AG LOCKYER IS A HEAVY FAVORITE TO WIN 2ND TERM AGAINST ACKERMAN.

Editor's note: There are still seven months to go until the Nov. 5th general election, but as of now there are few sources who think incumbent Calif. AG Bill Lockyer(D) will not win a second term against GOP State Sen. Dick Ackerman of Fullerton. Here's our update and analysis...

...On Feb. 14th, Ackerman in a Sacto Bee interview, said, "*If Davis wins, I lose. If Davis loses, I have a shot.*" At the time of the interview, Richard Riordan was still riding high and many thought Riordan might win the GOP primary and perhaps go on to unseat Gov. Gray Davis(D). But Riordan was mashed by Bill Simon Jr., and today few sources think Simon will have any coattails on Nov. 5th...

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...Although Ackerman did get a bigger raw vote total than Lockyer in the Mar. 5th primary (1.8 million vs. 1.7 million), Calif.'s top cop did have opposition from Michael Schmier, who got 353,228 votes. Ackerman was alone on the GOP side. That's about the only piece of good news for Ackerman. The senator's fundraising is poor – as of 2/19 he had only \$830 cash-on-hand, with late contributions of \$17,205. On issues, Ackerman won't get many pro-environment, pro-choice or pro-consumer votes. He's a very conservative lawmaker and one of his key reasons for taking on the Demo AG is that he is opposed to Lockyer's joining other AGs in going after Microsoft...

...As for Lockyer, he's sitting atop a **\$4.9 million** war-chest (2/19); has locked up some of the key law & order endorsements, including 30 county DAs; and is generally given very high marks by most law enforcement sources. The CA Police Chiefs Assn. and the CA State Sheriffs' Assn. both support Lockyer for reelection. Lockyer's campaign team includes consultant Richie Ross, media consultant Bill Carrick and daily mgr. Ann Patterson. It's a seasoned team which worked well together four years ago when Lockyer defeated GOPer David Stirling...

...Does Lockyer have problems? A few, mostly connected with his fundraising. He's taken money from Indian gaming casinos (which he is supposed to regulate) and from Oracle Corp., the computer software giant which has sold software to the DOJ and the State. But in terms of his running the Calif. DOJ – no serious problems...

...One of the key differences between Lockyer and the previous AG, GOPer Dan Lungren, is that when Lockyer travels to the different counties, he always checks in with the local DAs and prosecutors – to see if they need any special help or to take suggestions. That's known as political stroking. Lockyer is more political than prosecutorial, but like other Calif. AGs is both pro-death penalty and pro-3 Strikes...

...FYI: Although the AG's post has been successfully used as a stepping stone to governor (Earl Warren, Pat Brown, George Deukmejian), there is a list of Calif. AGs who haven't made it to the top from the DOJ: Lungren, John Van de Kamp and Evelle Younger. Does Lockyer have these same kinds of ambitions? Yes, but he's only focused on reelection and his team says they won't underestimate Ackerman or his campaign team, led by Sacto consultants Gilliard Blanning & Assoc. Stay tuned...

CAMPAIGN 2002: CALIFORNIA INITIATIVE UPDATE.

Editor's note: Lots of initiative activity this past week. 5 initiatives have now been turned in to county registrars throughout Calif. in hopes of making the Nov. 5th ballot. Odds are pretty good that at least 4 of the 5 will make it...

◆ ***Water Quality, Supply & Safe Drinking Water Projects. Coastal Wetlands Purchase & Protection. Bonds. Initiative Statute*** is the official title of the \$3.4 billion bond measure. The proponent is Joseph Caves. He and his allies turned in about 750,000 signatures on April 18th. Santa Monica-based Progressive Campaigns handled the petition management. Cost to collect the signatures was about \$.75 per signature. Odds of qualifying: good...

◆ ***Racial Privacy Initiative*** – This is Ward Connerly's follow-up to Prop. 209. Approximately 980,000 signatures collected by Nat'l Petition Mgt. were submitted 10 days ago. Calpeek sources say the initial price to collect the signatures started at \$.75, but went to a high of \$2.25. Odds of qualifying: fair. Connerly doesn't want his initiative on the Nov. 5th ballot. He's hoping the count will run past the June 27th deadline, meaning the initiative might be on the 2004 primary ballot – if it qualifies...

◆ ***After School Education & Safety Initiative*** – This is the initiative sponsored by actor Arnold Schwarzenegger, with backing from CTA, CMA, COPS, the CA Chamber + AG Bill Lockyer and SPI Delaine Eastin. Arno Political Consultants handled the petition management and turned in about 750,000 around April 17th. Cost per signature is estimated to be \$.75, according to sources. Odds of qualifying: good...

◆ ***Transportation. Allocation of Sales & Use Taxes Raised from Sale or Lease of Motor Vehicles*** – This initiative by Planning & Conservative League leader Gerald Meral would reallocate 30% of certain state revenues collected from the sale and lease of vehicles. If approved, these general fund revenues would be transferred into the Traffic Congestion Relief & Safe School Bus Trust Fund. Masterton & Wright handled the petition management and turned in 725,000 signatures April 29-30. Odds of qualifying: good...

◆ ***Election Day Registration Initiative*** – This measure sponsored by the McKay Foundation's Rob McKay turned in 750,000 signatures collected by Kimball Petition Management. Initial cost per signature was \$.50, but went up to \$1.00 at the end, according to sources. Signatures were turned in May 1st. Like the name implies, this initiative would allow non-registered voters to register on the same day as the election. Odds of qualifying: good. Stay tuned...

CAMPAIGN 2002: SECESSION MOVEMENT IN VALLEY AND HOLLYWOOD MOVING TOWARD THE BALLOT.

Editor's note: On or about May 22nd, the L.A. Co. Local Agency Formation Commission (LAFCO) will make a final decision on the terms of secession for the San Fernando Valley and Hollywood and will also determine whether to put the secession vote on the Nov. 5th ballot. Here's our update & analysis...

...Most sources think Valley & Hollywood secession will be on the Nov. 5th general election ballot, but not the Harbor area. The secession issue will be the *hottest item* in Calif., with the exception of the governor's race. After all, it's not everyday that the 2nd largest city in the U.S. is faced with a secession by 1.4 million residents...

...Last week, *Valley VOTE* and *Hollywood VOTE* announced the hiring of Goddard-Claussen/Porter-Novelli (Frank Schubert in G-C's Sacto office) to manage the efforts on behalf of both groups. The campaign was brought to G-C by former G-C associate Gene Wise, who left G-C's L.A. office in mid-April to form his own firm – *First Rodeo Strategic Communications*. Wise is close to Richard Katz and Katz (working w/Valley VOTE) is the guy who put the deal together for Wise – and Wise brought G-C into campaign. Wise will handle the media (creative/message) for both Valley & Hollywood VOTE. FYI: the main force behind *Hollywood VOTE* is businessman Gene La Pietra, while Jeff Brain is president of *Valley VOTE*...

...To bring in this talent costs big buck\$, thus most sources are predicting a multi-million dollar effort by both the pro and con sides. L.A. Mayor Jim Hahn has already raised more than \$1.8 million for his *L.A. United* campaign, to be led by consultants Bill Carrick and Kam Kuwata...

...Even more interesting is what's happening with L.A.'s *organized labor community*. The official position, according to our sources, is the L.A. Co. Federation of Labor is opposed to secession and will NOT endorse candidates who plan to run for city council in either the Valley or Hollywood. But there has been some wiggling here by the Fed's leader Miguel Contreras. State SEIU leader Dean Tipps (who has thus far promised \$1 million to fight secession) and L.A.'s SEIU 347 leader Julie Butcher are dead set against secession. Any candidate who runs for a Valley council seat may end up on Butcher's block...

...FYI: a more interesting intra-labor fight could be in the works between the L.A. Police Protective League + L.A. City Firefighters VS Assn. of L.A. Deputy Sheriffs + the L.A. Co. Firefighters. If new cities were to be approved,

who would the new city fathers contract with for public safety services? OR would they start their own. Stay tuned...

ON THE JOB TWO MONTHS, ASSEMBLY SPEAKER WESSON COMES INTO OFFICE AT CRITICAL TIME.

Editor's note: In the post-Willie Brown era there have been 4 Demo Assembly Speakers: Cruz Bustamante, Antonio Villaraigosa, Bob Hertzberg and now Herb Wesson. Some think it's a little early to make any assessment, but others think Wesson is doing a good job, given the current situation. Here's our analysis...

...Wesson became Speaker at perhaps Calif.'s most critical point in the last 20 years: the State is facing a monster budget shortfall of anywhere between \$17-20 billion. And make no mistake, Wesson's tenure as Speaker will be judged on how he handles this current budget crisis. It will be his top priority...

...Thus far Wesson is getting mostly good marks and **Calpeek** sources have noted some differences between Wesson and previous Demo Speakers. For one thing, insiders don't think the previous Speakers (as a group) understood the problems that members in "competitive districts" faced in trying to explain/defend the sometimes *liberal* actions of their Demo colleagues. Some of these former Speakers forced floor votes on issues where there was no documented problem. Wesson is into member protection and sources believe he'll avoid forcing his members to take *politically correct votes*. Instead, he has already laid down the law: focus on what needs to be done and don't put out bills unless the legislation addresses a real need and it has the votes on the floor to pass without causing *political heartburn* to members...

...Wesson is much more low-keyed than Hertzberg or Villaraigosa, but he's still a very personable individual, and he has the ability to say "NO" when necessary. As a fundraiser he's voracious and certainly as good as Hertzberg – and he was as good as it gets. As for Wesson's leadership team, it's a little early to make a full assessment, but there's no doubt that Hertzberg's team was A+ (Shelley, Cardoza, Keeley, Migden & Co.)...

...Back to the budget. The budget shortfall will be the most difficult problem facing Wesson. Already some insiders are advising Wesson to let Gov. Davis take the lead. While the new remapping plan *supposedly* gave the Demos 50 safe assembly seats, a major goof in handling this budget crisis could lead to a loss of 6 seats if they are not careful. Regardless, Wesson will find him-

self down 4 votes short of the necessary 2/3rds needed to pass a budget. Here Wesson may benefit from the fact that the GOP Assembly Leadership, in an effort to punish defecting budget votes from last year, has thrown some of these GOP members into the Speaker's arms – seeking protection. Interesting...

...FYI: Politically, Wesson will follow other Demo speakers by hiring consultant Darry Sragow to oversee the Assembly Demo campaigns for November. This arrangement has worked even better than first envisioned and brought the Demos back from minority status in '94 to today's 50-30 margin in the lower house. Stay tuned...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

May 14	CORO So. Calif. 27 th annual Public Affairs Awards dinner, Skirball Cultural Center, L.A.
June 4	Long Beach muni runoff election.
June 27	Last day for initiatives to qualify for November 2002 general election ballot.
July 31	State campaign reports due.
Aug. 31	Final day of CA Legislative session for 2002.
Sept. 27-29	CRP State Convention, Hayatt Regency, Anaheim, CA.
Sept. 30	Last day for Governor to sign bills.
Oct. 21	Last day to register for November election.
Nov. 5	Calif. General Election.

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **Keene Quits In Flap Over Oracle** – Barry Keene has resigned as director of the Dept. of General Services – as he took the blame for an agreement with Oracle Corp. for buying a software database program the State didn't need. The screw up could cost taxpayers \$41 million. Gov. Davis has named Clothilde V. Hewlett as interim director. FYI: according to a story in the Sacto BEE Gov. Davis took a \$25,000 contribution from Oracle within a week of the contract being signed. Hummmm....

■ **Long Beach Mayor's Race** – Long Beach Vice Mayor Dan Baker will now have two write-in candidates running against him in the June 4th runoff: current Mayor Beverly O'Neill who finished ahead of Baker as a write-in; and GPer Norm Ryan. Ryan went to court to ask that he be on the ballot with Baker, but the judge said NO. Ryan finished 2nd to Baker and 3rd overall. FYI: Councilman Ray Grabinski and the Long Beach Firefighters Assn. have endorsed O'Neill...

■ **Riordan's Newspaper** – According to the L.A. Business Journal, former L.A. Mayor Richard Riordan plans to start his own newspaper. Riordan told the LABJ that his paper will be modeled on the New York Observer and will run 28 pages. Riordan's looking for a staff of 40, but it's unclear how often the paper will publish. Riordan will team with Matt Welch, co-founder of LAExaminer.com. We'll keep you posted. Sounds interesting...

■ **Energy Summit** – Mark May 17th down on your calendar. The Silicon Valley Manuf. Group will host GOP gubernatorial candidate Bill Simon Jr.; former Assemblyman Richard Katz (from Gov. Davis' office); PG&E CEO Gordon Smith; Calpine CEO Pete Cartwright; PUC Comm. Geoff Brown; and Robert Laurie of the CA Energy Commission. 8:30 a.m. to 4:30 p.m., Oracle Conference Center, Redwood Shores. (408)501-7864...

■ **Dickerson's Payback** – Remember Assemblyman Dick Dickerson's unsuccessful GOP campaign for the State Senate this past March? He lost to fellow GOP Assemblyman Sam Aanestad. A huge independent expenditure campaign was run by the CA Dental Assn.'s PAC against Dickerson and for Aanestad. Now it's payback time for Dickerson. He has introduced AB 2270 to ban mercury in dental fillings. It's exactly the same legislation introduced in the U.S. House by U.S. Reps. Diane Watson(D-L.A.) and Dan Burton(R-Indianapolis)...

CALPEEK'S NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● Public Strategies, Inc. has opened an office in L.A. at 660 S. Figueroa St., #1740, L.A. 90017. (213)430-2080. PSI also has offices in S.F. and Sacto. Darry Sragow is the area managing director...

● The L.A. office of Edelman PR Worldwide has hired Thomas J. Goff as a Sr. VP to head the firm's corporate reputation management practice...

● James Cecil has joined the L.A.-based fundraising firm of Capital Campaigns. Cecil had been with the CRP prior to joining Anne Dunsmore's company...

● L.A. City's powerful SEIU Local 347 has hired Carlos Alvarado as 347's new political director. He had been a sr. deputy to L.A. Councilman Ridley-Thomas...